

---

# ***Public Utilities Commission of the State of California***

## ***Public Agenda 3112***

***Thursday, May 8, 2003 10:00 a.m.***

***San Francisco, California***

### **Commissioners**

**Michael R. Peevey, President**

**Geoffrey F. Brown**

**Susan P. Kennedy**

**Loretta M. Lynch**

**Carl W. Wood**

*For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.*

*Website: <http://www.cpuc.ca.gov>*

---

### **Scheduled Commission Meetings 505 Van Ness Avenue, San Francisco**

<i>Ratesetting Deliberative Meeting*</i> <i>Room 5305</i> <i>(1:30 p.m.)</i> <b><i>Closed to the Public</i></b>	<i>Commission Meeting</i> <i>Auditorium</i> <i>(10 a.m.)</i> <b><i>Open to the Public</i></b>
Monday, May 19, 2003 (San Francisco)	Thursday, May 08, 2003 (San Francisco)
Monday, June 02, 2003 (San Francisco)	Thursday, May 22, 2003 (San Francisco )
Monday, June 16, 2003 (San Francisco)	Thursday, June 05, 2003 (San Francisco)
	Thursday, June 19, 2003 (San Francisco)
	Thursday, July 10, 2003 (San Francisco)

*\*Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

### ***Matters of Public Interest***

***For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.***

For further information contact the Public Advisor  
(415) 703-2074 E-mail: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)



This location is accessible to people with disabilities. If specialized accommodations for the disabled are needed, e.g. sign language interpreters, please call the Public Advisor at (415) 703-2074 or TTY# (415) 703-5282 or toll free # 1-866-836-7825 three business days in advance of the meeting.

---

## PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda.
- 

Public Comment:

## Consent Agenda

*Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.*

### Orders and Resolutions

**CA-1                      Res TL-19026**

**1896**                      Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145618](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145618)

**CA-2                      Res ALJ 176-3112**

**1897**                      Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

**CA-3                      R02-08-002 - Order Instituting Rulemaking on the Commission's own motion to examine whether the regulations regarding prearrangement of charter-party transportation contained in General Order 157-C should be revised.**

This Rulemaking is discontinued because the Commission has determined that changes to G.O. 157-C are not needed at this time. This proceeding is closed.

(Comr Kennedy - ALJ Rosenthal)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

(Agenda 3110, Item CA-11 4/3/2003 (Staff))

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143891](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143891)

**CA-4  
1966****A02-07-021 - Southern California Water Company (SCWC).**

This decision approves a settlement agreement between SCWD and the City of Santa Monica (City) that conveys water rights to the City. This proceeding is closed.

(Comr Kennedy - ALJ Evans)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=147055](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=147055)

**CA-5  
1986****A99-12-025 - Valencia Water Company (Valencia).**

For approval of its Updated Water Management Programs as ordered in Commission Resolution W-4254 dated August 5, 1999. The Commission concludes that no good cause has been shown to modify D01-11-048, which approved Valencia's 1999 Water Management Program and authorized certain extensions to its service area. Sierra Club's petition to modify D01-11-048 is denied. This proceeding is closed.

(Comr Brown - ALJ Patrick)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**CA-6  
2020****A00-08-018 - San Diego Gas and Electric Company.**

For approval of update to top 100 hours allocation methodology for ongoing transition costs. This decision closes the proceeding with the concurrence of active parties to a petition to modify D00-06-034.

(Comr Kennedy - ALJ Malcolm)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143977](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143977)

**CA-7  
2029****A99-07-002 - Southern California Gas Company.**

For authority to continue Low Income Assistance Programs and Funding through 2000. A99-07-004, A99-07-011, A99-07-012 - Related matters. This decision closes the proceedings in recognition that all outstanding issues were addressed by D00-07-020.

(Comr Wood - ALJ Gottstein)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146739](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146739)

**CA-8  
2038**

**A03-01-006 - Teleglobe USA Inc. (Old Teleglobe), Teleglobe USA LLC (New Teleglobe), and TLGB Corporation (TLGB).**

This decision approves the joint application of Old Teleglobe, New Teleglobe, and TLGB, for transfer of the assets and certificate of public convenience and necessity of Old Teleglobe to New Teleglobe, and the subsequent transfer of New Teleglobe to TLGB. This proceeding is closed.

(Comr Lynch - ALJ O'Donnell)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143496](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143496)

**CA-9  
2056**

**A02-05-004 - Southern California Edison Company (SCE).**

I02-06-002 - Related matters. This decision authorizes SCE to establish a memorandum account to track the base rate revenue requirement that it has requested in this application during the period between May 22, 2003 and the date a final decision on that request is adopted in this proceeding. SCE is also authorized to establish related rate recovery provisions.

(Comr Wood - ALJ Wetzell)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**CA-10  
2061**

**A02-12-023 - In Touch Communications, Inc. (Applicant).**

This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based local exchange telecommunications service. This proceeding is closed.

(Comr Lynch - ALJ O'Donnell)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=142469](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=142469)

**CA-11  
2066**

**C02-05-035 - Breuer, Inc. vs. Del Oro Water Company, Inc.**

This decision extends the 12-month statutory deadline pursuant to Public Utilities Code Section 1701.2(d), effective immediately, until further notice.

(Comr Kennedy - ALJ Maloney)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143512](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143512)

**CA-12  
2067**

**A02-10-016 - United States Telesis, Inc. dba US Telesis (Applicant).**

This decision grants Applicant a certificate of public convenience and necessity under Pub. Util. Code § 1001 for authority to provide resold local exchange telecommunications services. This proceeding is closed.

(Comr Peevey - ALJ Bemmesderfer)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**CA-13  
2069                    C02-12-022 - George E. Penington (Penington) vs. San Diego Gas and Electric Company (SDG&E).**

This decision denies the complaint, finding that Penington is not entitled to a refund of \$6,354.00 paid SDG&E to extend natural gas service to two residential buildings because SDG&E has charged Penington correctly for the service extension under its tariff. This proceeding is closed.

(Comr Wood - ALJ Vieth)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144404](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144404)

**CA-14  
2071                    A02-05-022 - Pacific Gas and Electric Company (PG&E).**

For authority to establish its authorized rates of return on common equity for electric utility operations and gas distribution for test year 2003. A02-05-025, A02-05-026, A02-05-031 - Related matters.

This decision exempts PG&E from filing a 2004 test year cost of capital application. This proceeding remains open.

(Comr Brown, Comr Peevey - ALJ Galvin)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144128](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144128)

**CA-15  
2073                    Res E-3775 - Pacific Gas and Electric Company (PG&E).**

This resolution approves the request by PG&E for meter data set up and access charges for customers who arrange for an interval meter installation on a voluntary basis. (Advice Letter (AL) 2197-E, filed February 15, 2002, and AL 2197-E-A, filed July 2, 2002)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=147195](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=147195)

**CA-16  
2076                    A02-11-026 - Greenfield Communications, Inc. (Applicant).**

This decision grants Applicant a certificate of public convenience and necessity under Pub. Util. Code § 1001 for authority to provide resold local exchange and interexchange telecommunications services. This proceeding is closed.

(Comr Peevey - ALJ Bemserfer)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=141283](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=141283)

- CA-17  
2077**      **A02-11-018 - City of Santa Rosa (City).**  
This decision grants the request of the City to construct the Pierson Reach Bike Path at separated grade below the tracks and trestle of the Northwestern Pacific Railroad Authority in the City of Santa Rosa, in Sonoma County. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144509](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144509)
- CA-18  
2078**      **A02-07-006 - County of Santa Clara Roads and Airport Department (County).**  
This decision grants the request of the County for authority to widen the Lafayette Overhead, in the City of Santa Clara, County of Santa Clara. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144522](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144522)
- CA-19  
2079**      **A02-03-027 - Alameda Corridor Transportation Authority (ACTA).**  
This decision authorizes ACTA to construct a new grade separation of Pacific Coast Highway over the ACTA main tracks and the former Southern Pacific Transportation Company San Pedro Branch. This decision constitutes permission for ACTA to construct this grade separation in accordance with the latest revision of the plans filed with the Commission as part of ACTA's supplemented and amended application, and is subject to the conditions set forth in the Order. This proceeding is closed.  
(Comr Peevey - ALJ Ryerson)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- CA-20  
2082**      **A00-10-045 - San Diego Gas and Electric Company.**  
For an order implementing Assembly Bill 265. A01-01-044 - Related matters. This decision finds that Aglet Consumer Alliance, The Utility Reform Network, and The Utility Consumer Action Network contributed substantially to D02-12-064, and awards them compensation of \$15,859.92, \$5,889.02, and \$36,063.30, respectively for their participation.  
(Comr Wood - ALJ Wetzell)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146803](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146803)

**CA-21  
2083****A01-07-004 - Pacific Gas and Electric Company.**

For a permit to construct the Atlantic-Del Mar Reinforcement Project pursuant to General Order 131-D. This decision modifies D03-02-007 and approves the Addendum to the Final Mitigated Negative Declaration. This proceeding is closed.

(Comr Kennedy - ALJ Cooke)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144116](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144116)

**CA-22  
2084****A02-02-010 - Cogent Communications of California, Inc. (Applicant).**

Applicant filed this application for a certificate of public convenience and necessity to provide facilities-based and resold local exchange and interexchange telecommunications services. By D02-09-012, Applicant was granted authority to provide limited facilities-based and resold local exchange and interexchange services. The application was left open to address its proposed construction pursuant to the California Environmental Quality Act. Applicant has since decided not to construct facilities at this time, except to the extent previously authorized. At the request of Applicant, the Commission closes this application. This proceeding is closed.

(Comr Lynch - ALJ O'Donnell)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143946](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143946)

**CA-23  
2089****A03-02-037 - Southern California Edison Company (SCE).**

The Commission grants SCE authority to lease available land under Pub. Util. Code § 851. The SCE property consists of a 2.28-acre site located on a portion of SCE's El Nido-Sepulveda-Culver transmission right of way in the City of Hawthorne. This proceeding is closed.

(Comr Kennedy - ALJ Bemmesderfer)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146740](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146740)

**CA-24  
2091****A03-01-026 - Blue Casa Communications, LLC (Applicant).**

This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based and resold local exchange and interexchange telecommunications services. This proceeding is closed.

(Comr Brown - ALJ O'Donnell)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=142587](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=142587)

- CA-25  
2093**      **A02-11-001 - Gregory J. Phelps dba Mountain Express.**  
The decision grants Gregory J. Phelps authority to establish a zone of rate freedom. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145254](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145254)
- CA-26  
2094**      **A02-12-024 - Bart Mulvihill.**  
A02-12-041 - Related matters. This decision authorizes Bart Mulvihill to extend his scheduled passenger stage corporation to include service between Calabasas, Malibu, Agoura Hills and Thousand Oaks, on the one hand, and Los Angeles International Airport, on the other hand. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145258](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145258)
- CA-27  
2095**      **A03-01-024 - Hosein Nematbakhsh dba ABC Shuttle (Applicant).**  
This decision authorizes Applicant to operate as a passenger stage corporation between points in Orange County and John Wayne Airport. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145262](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145262)
- CA-28  
2096**      **A03-01-028 - Kultar Singh dba ANA Transportation (Applicant).**  
This decision authorizes Applicant to operate a passenger stage corporation between the Counties of San Francisco, Alameda, Contra Costa, Santa Clara, Solano, Marin, and San Mateo and the International Airports of San Francisco, Oakland, and San Jose. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145264](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145264)
- CA-29  
2103**      **A03-03-036 - Catalina Classic Cruises, Inc. (Applicant).**  
This decision authorizes Applicant to extend its non-scheduled vessel common carrier service between points at and within three miles offshore of Avalon, Santa Catalina Island. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145632](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145632)



- CA-30  
2122**      **C02-11-011 - Telscape Communications, Inc. vs. Pacific Bell Telephone Company.**  
Pub. Util. Code § 1701.2(d) provides that adjudicatory cases shall be resolved within 12 months of initiation unless the Commission makes findings why that deadline cannot be met and issues an order extending that deadline. In this proceeding, the 12-month deadline for resolving this matter is November 5, 2003. This decision extends the deadline at the request of all parties, in order to allow adequate time for discovery and preparation for the evidentiary hearings in this matter, commensurate with the complexity and importance of the issues in the case.  
(Comr Brown - ALJ Simon)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143911](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143911)
- CA-31  
2127**      **A02-07-036 - Advanced TelCom, Inc. dba Advanced TelCom Group (ATG), aka Delaware Advanced TelCom, Inc. and GE Business Productivity Solutions, Inc. (GEBPS).**  
This decision grants petition for modification of D02-10-049, regarding the transfer of control from ATG to GEBPS. This proceeding is closed.  
(Comr Peevey - ALJ Evans)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144907](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144907)
- CA-32  
2134**      **A00-10-043 - Hillview Water Company, Inc. (Hillview).**  
This decision grants Hillview the authority to secure an additional planning loan in the amount not to exceed \$76,327.77 under the Safe Drinking Water State Revolving Fund. This proceeding is closed.  
(Exam Jackson)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- CA-33  
2136**      **Res ST-60 - San Francisco Municipal Railway (MUNI).**  
This resolution grants MUNI authority to deviate from certain overhead clearance requirements of General Order 26-D where its proposed Third Street Line tracks would cross tracks of conventional railroads.
- CA-34  
2137**      **A02-11-005 - Los Angeles to Pasadena Metro Blue Line Construction Authority (PBLCA).**  
This decision grants PBLCA authority to construct a private at-grade highway-rail crossing of the Los Angeles to Pasadena Metro Gold Line (formerly Pasadena Metro Blue Line) at the power plant owned by City of Pasadena Water & Power Department. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

- 
- CA-35  
2138**      **A02-11-016 - Santa Clara Valley Transportation Authority (VTA).**  
This decision grants VTA authority to relocate its existing heavy rail tracks operated on by Union Pacific Railroad, at Hamilton Avenue in Campbell, Santa Clara County. This project is in conjunction with VTA's Vasona light rail line extension. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144172](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144172)
- CA-36  
(Rev.)  
2139**      **Res W-4391 - Alisal Water Corporation (ALCO), Normco Division (Normco) and Moss Landing Division (MLD).**  
This resolution authorizes a surcharge to recover an increase in water testing costs producing an increase in annual revenue for Normco of \$47,121 or 24.4% and for MLD of \$16,810 or 14.5%.  
(Advice Letter 90, filed December 11, 2002)  
04/30/2003 - This revision was not shown on the Agenda mailed to the public.
- CA-37  
2140**      **Res W-4392 - California Water Service Company, Westlake District.**  
This resolution authorizes a surcharge to recover under-collection in the balancing account producing additional annual revenues of \$1,279,996 or 9.51% for this district. (Advice Letter 1537, filed February 4, 2003)
- CA-38  
2141**      **Res W-4393 - California Water Service Company (Livermore, Los Altos-Suburban, Chico, Hermosa-Redondo, Bear Gulch, Selma, and Marysville Districts).**  
This resolution authorizes surcharges in each district of Livermore, Los Altos-Suburban, Chico, Hermosa-Redondo, Bear Gulch, Selma, and Marysville to recover under-collections in purchased water and purchased power balancing accounts producing additional annual revenues of \$4,212,967 or 4.2% for those combined districts. (Advice Letters 1525, 1526, 1527, 1528, 1529, 1533, and 1534, filed between December 18, 2002 and January 2, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=140610](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=140610)
- CA-39  
2142**      **W-4394 - Cold Springs Water Company.**  
This resolution authorizes a one-time surcharge to recover an increase in water testing costs and Department of Health Services fees producing an increase in annual revenue of \$5,121 or 3.2%.  
(Advice Letter 44, filed February 24, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144005](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144005)
-

- CA-40  
2143**      **Res W-4395 - Havasu Water Company.**  
This resolution authorizes a rate base offset and a cost of living rate increase producing additional annual revenue of \$16,304 or 13.44% in 2003.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145438](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145438)
- CA-41  
2144**      **Res W-4396 - Lake Alpine Water Company.**  
This resolution authorizes a one-time surcharge to recover an increase in water testing costs and Department of Health Services fees producing an increase in annual revenue of \$1,522 or 0.56%. (Advice Letter 63, filed March 3, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145484](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145484)
- CA-42  
2145**      **Res W-4397 - Sereno Del Mar Water Company.**  
This resolution authorizes a purchase power and cost of living rate increase producing additional annual revenue of \$9,493 or 16.9% in 2003. (Advice Letter 31, filed November 19, 2002)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145418](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145418)
- CA-43  
2152**      **R93-04-003 - Rulemaking on the Commission's own motion to govern open access to bottleneck services and establish a framework for network architecture development of dominant carrier frameworks.**  
I93-04-002, R95-04-043, I95-04-044 - Related matters. This decision grants The Utility Reform Network an award of \$84,104.84 in compensation for substantial contributions to D02-09-050 and D02-12-081. Those decisions paved the way for SBC Pacific Bell to begin long distance service in California.  
(Comr Brown - ALJ Reed)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146778](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146778)
- CA-44  
2153**      **A03-03-008 - City and County of San Francisco (CCSF).**  
This decision grants the request of the CCSF for authority to construct 18 at-grade crossings along 3rd Street, in the City and County of San Francisco. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146225](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146225)

**CA-45  
2155****A99-03-014 - Pacific Gas and Electric Company.**

For revision of its electrical marginal costs, revenue allocation and rates at the end of the rate freeze. This decision grants The Utility Reform Network \$83,780.68 for its contributions to D03-01-012. This proceeding is closed.

(Comr Lynch - ALJ Mattson)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146742](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146742)

**CA-46  
(Rev.)  
2072****A02-05-013 - Valencia Water Company (Valencia).**

For an order authorizing it to increase general rates charged for water service in order to realize increased annual revenues of \$2,496,685 in Test Year 2003, \$143,286 in Test Year 2004, and \$43,439 in Attrition Year 2005, to apply a surcharge calculated to generate a further \$614,737 in Year 2003 revenues, to establish a low income ratepayer assistance program, and to make further changes and additions to its tariff for water service. This decision approves settlement agreement between Valencia and the Office of Ratepayer Advocates after addressing all issues raised by Sierra Club. This proceeding is closed.

(Comr Brown - ALJ Bushey)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

05/07/2003 - This item appeared as (8) on the agenda distributed to the public.

---

## Regular Agenda

### Utility and Transportation Orders *Orders Held Over*

- H-1  
1500**      **A02-03-059 - Pacific Bell Telephone Company (Pacific).**  
This decision approves the arbitrated interconnection agreement filed by Pacific and Pac-West Telecomm, Inc., under Rule 4.2 of the Commission's revised rules governing filings made pursuant to the Telecommunications Act of 1996, pursuant to Subsection 252(e) of that Act. This proceeding is closed.  
(Comr Wood - ALJ Ryerson)  
(Agenda 3103, Item 11 12/17/2002 (Brown); Agenda 3105, Item H-8 1/16/2003 (Brown); Agenda 3107, Item H-8 2/13/2003 (Peevey); Agenda 3108, Item H-8 2/27/2003 (Kennedy); Agenda 3109, Item H-6 3/13/2003 (Kennedy); Agenda 3110, Item H-2 4/3/2003 (Peevey); Agenda 3111, Item H-1 4/17/2003 (Wood))  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145234](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145234)
- H-1a  
1798**      **ALTERNATE TO ITEM 1500**  
This alternate decision approves with modification the arbitrated interconnection agreement between SBC-California and Pac-West Telecomm, Inc. Issue number 14 of the Final Arbitrator's Report is modified to comport with prior Commission decisions, such that transport charges are applicable to VNXX traffic terminating outside of the originating local calling area.  
(Comr Brown)  
(Agenda 3108, Item H-8a 2/27/2003 (Kennedy); Agenda 3109, Item H-6a 3/13/2003 (Kennedy); Agenda 3110, Item H-2a 4/3/2003 (Peevey); Agenda 3111, Item H-1a 4/17/2003 (Wood))  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143863](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143863)
- H-2  
1836**      **A00-05-032 - Pacific Gas and Electric Company (PG&E).**  
PG&E seeks authorization pursuant to Pub. Util. Code §§ 367(b) and 851, to market value by sale certain generation-related parcels of land in Rodeo, Martinez, and Antioch. The Commission concludes that the application is barred under § 377 and the application is dismissed without prejudice. This proceeding is closed.  
(Comr Lynch - ALJ Patrick)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
(Agenda 3110, Item CA-5 4/3/2003 (Staff))

- H-3  
1838**      **A00-05-033 - Pacific Gas and Electric Company (PG&E).**  
PG&E seeks authorization pursuant to Pub. Util. Code §§ 367(b) and 851, to market value by sale a generation-related property at Bridgehead Road in Antioch. The Commission concludes that the application is barred under § 377 and the application is dismissed without prejudice. This proceeding is closed.  
(Comr Lynch - ALJ Patrick)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
(Agenda 3110, Item CA-6 4/3/2003 (Staff))
- H-4  
1914**      **A01-03-036 - San Diego Gas and Electric Company (SDG&E).**  
For a certificate of public convenience and necessity for a 500kV Inter-Connect Project known as Valley-Rainbow. This decision denies SDG&E's Petition to Modify D02-12-066.  
(Comr Kennedy - ALJ Cooke)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
(Agenda 3111, Item CA-5 4/17/2003 (Peevey))  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143262](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143262)
- H-5  
1970**      **A02-06-024 - Verizon California Inc. (Verizon).**  
This decision approves the arbitrated interconnection agreement (ICA) filed by Verizon and Pac-West Telecomm, Inc., under Rule 4.2 of the Commission's revised rules governing filings made pursuant to the Telecommunications Act of 1996, pursuant to Subsection 252(e) of the Act. The Commission finds that the ICA does not violate the requirements of Section 251 of that Act, the Federal Communications Commission's implementing regulations therefor, or the pricing standards set forth in Subsection 252(d) of the Act. This proceeding is closed.  
(Comr Brown - ALJ Ryerson)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
(Agenda 3110, Item 8 4/3/2003 (Brown))
- H-5a  
1983**      **ALTERNATE TO ITEM 1970**  
This decision approves with modification the arbitrated interconnection agreement filed by Verizon and Pac-West Telecomm. Issue number 3 of the Final Arbitrator's Report is modified to comport with prior Commission decision, such that transport charges are applicable to VNXX traffic terminating outside of the originating local calling area.  
(Comr Brown)  
(Agenda 3110, Item 8a 4/3/2003 (Brown))  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143510](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143510)

**H-6  
2023****R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.**

This draft decision grants in part Southern California Edison Company's (SCE) February 3, 2003 Petition for Modification of D02-12-074. In all other respects, SCE's petition is denied.

(Comr Peevey - ALJ Walwyn)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

(Agenda 3111, Item 3 4/17/2003 (Peevey))

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=147307](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=147307)

**H-6a  
2057****ALTERNATE TO ITEM 2023**

This alternate order applies the disallowance cap to a different amount of procurement costs than the administrative law judge's draft decision.

(Comr Peevey)

(Agenda 3111, Item 3a 4/17/2003 (Peevey))

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144268](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144268)

**H-7  
2054****A02-02-012 - Southwest Gas Corporation (Southwest).**

For authority to increase rates in San Bernardino, Placer, El Dorado, and Nevada Counties. Interim Opinion authorizing Southwest to establish a memorandum account to record margin revenue shortfalls due to delay in the proceeding.

(Comr Peevey - ALJ DeBerry)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

(Agenda 3111, Item 4 4/17/2003 (Peevey))

**H-7a  
2151****ALTERNATE TO ITEM 2054**

Using the same rationale described in the ALJ's decision, this alternate finds it reasonable to grant an earlier effective date for establishment of a memorandum account to record revenue shortfalls.

(Comr Peevey)

---

**Orders****1  
1878 I00-11-001 - Order Instituting Investigation into implementation of Assembly Bill 970 regarding the identification of electric transmission and distribution constraints, actions to resolve those constraints, and related matters affecting the reliability of electric supply.**

A01-04-012 - Related matters. This decision considers the economic need of upgrades to Path 15, the major transmission interface between northern and southern California. Based on the record in this proceeding, the Commission finds that the proposed upgrades are not cost-effective to ratepayers. This evaluation considers the project on a "stand-alone" basis--i.e., without considering the participation of PG&E and other entities in the project. The Commission will be examining the proposed ratemaking treatment for project costs, as well as the allocation of project benefits and costs among project participants in further evidentiary hearings. The Commission will also consider at that time any updates to the estimated project costs. The Commission may revisit today's findings if that information changes the project economics significantly.

(Comr Lynch - ALJ Gottstein)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145736](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145736)

**1a  
1879 ALTERNATE TO ITEM 1878**

This alternate decision differs from the proposed decision of the administrative law judge in that it finds the proposed improvements to the Path 15 transmission system to be economic, and approves the construction of the Path 15 project.

(Comr Lynch)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=142568](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=142568)

**2  
1969 A01-09-004 - Southern California Edison Company (SCE).**

This decision permits SCE to recover approximately \$20,000,000 in costs accruing prior to August 31, 2001, in four accounts. It finds that the release of claims by SCE in the Settlement Agreement between SCE and this Commission did not release the claims which are the subject of this decision. This proceeding is closed.

(Comr Brown - ALJ Barnett)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143628](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143628)



- 3**  
**1987**      **A99-09-006 - Pacific Gas and Electric Company (PG&E).**  
The Commission adopts PG&E's estimate of \$65.1 million for the future decommissioning and site remediation of Hunters Point Power Plant for inclusion in the Transition Cost Balancing Account. This proceeding is closed.  
(Comr Brown - ALJ Patrick)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- 4**  
**2016**      **A01-11-017 - DSLnet Communications, LLC. (DSLnet) and VantagePoint Venture Partners (VPVP).**  
This decision approves, on a prospective basis, the indirect transfer of control of DSLnet to VPVP. Retroactive approval of the indirect transfer of control is denied. DSLnet and VPVP are fined \$5,000 for failure to obtain prior Commission approval for this transfer of control, as required by Pub. Util. Code § 854(a). This proceeding is closed.  
(Comr Kennedy - ALJ Duda)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- 5**  
**2032**      **A98-07-003 - Pacific Gas and Electric Company (PG&E).**  
For verification, consolidation, and approval of costs and revenues in the Transition Revenue Account. This decision orders PG&E and Southern California Edison (SCE) to implement bottoms-up billing for Direct Access customers. The utilities bill only for distribution and transmission service. This decision finds reasonable the Direct Access credit method used by PG&E and SCE since the demise of the Power Exchange.  
(Comr Wood - ALJ Barnett)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144022](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144022)
- 6**  
**2068**      **R02-06-001 - Order Instituting Rulemaking on policies and practices for advanced metering, demand response, and dynamic pricing.**  
This decision addresses the interagency vision for advancing statewide demand response goals, links the task of meeting those goals with utility procurement requirements, and adopts an initial set of voluntary tariffs and programs for large customers whose electricity usage exceeds 200 kW per month. The decision also sets annual megawatt targets to be met through demand response and included in IOU procurement plans.  
(Comr Peevey - ALJ Carew)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144344](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144344)

- 7  
2070**      **R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly Bill 1X and Decision 01-09-060.**  
This decision adopts rules regarding the rights and obligations of Direct Access (DA) customers to return to bundled service and subsequently switch back to DA service. These issues include consideration of legality of the “switching exemption” pursuant to the limited rehearing of D02-03-055 granted by D02-04-067.  
(Comr Brown, Comr Wood - ALJ Pulsifer)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144436](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144436)
- 7a  
2074**      **ALTERNATE TO ITEM 2070**  
This alternate rejects a proposal for “switching exemptions” which would have permitted certain customers to switch between bundled service and direct access after the September 20, 2001 suspension date. As provided by the Legislature, this alternate clarifies that the resumption of bundled service terminates direct access service, irrespective of the September 20, 2001 suspension date.  
(Comr Wood)
- 8 (Rev.)  
2072**      05/07/2003 - Moved to item (CA-46) on the agenda.
- 9  
2156**      **R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.**  
This decision modifies D02-08-071 to allow the Commission the flexibility, upon a showing of good cause, to allow for a departure from the requirement that new renewable resources procured by the three respondent utilities through a set-aside during the transitional period process be required to come online and begin delivering electricity before the end of 2003.  
(Comr Peevey - ALJ Walwyn)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146290](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146290)

**10  
2161**

**R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of Direct Access pursuant to Assembly Bill 1X and D01-09-060.**

This order grants the petition to modify filed on November 18, 2002, by San Diego Gas & Electric Company, seeking clarification of whether D02-11-022 exempts the 80 megawatts of United States Navy load referenced in the Decision from the components of the direct access cost responsibility surcharge. The order assigns a zero share of Department of Water Resources bond and power charges to the 80 MW.

(Comr Brown, Comr Wood - ALJ Pulsifer)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146745](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146745)

**10a  
2162**

**ALTERNATE TO ITEM 2161**

This order grants the petition to modify filed on November 18, 2002, by San Diego Gas & Electric Company, seeking clarification of whether D. 02-11-022 exempts the 80 megawatts (MW) of United States Navy Load referenced in the Decision from the components of the direct access cost responsibility surcharge. The order determines that the 80 MW of Navy Load shall bear the same share of Department of Water Resources bond and power charges as is applicable to other direct access load. The alternate order adopts the same result as the original version of the ALJ's Draft Decision mailed to parties on March 3, 2003, updated to incorporate comments on the modeling impacts on the DA CRS payback period resulting from the treatment of the 80 MW.

(Comr Brown)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146565](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146565)

---

**Utilities Resolutions and Written Reports****Energy Matters****E-1                      Res E-3814 - Southern California Edison Company (SCE).****1750**

SCE seeks Commission approval of one power purchase agreement contributing toward procurement of at least an additional one percent of the utility's annual electric sales from renewable energy resources irrespective of the utility's residual net short. (Advice Letter 1680-E, filed January 14, 2003) (Agenda 3107, Item E-3 2/13/2003 (Brown); Agenda 3108, Item E-3 2/27/2003 (Staff); Agenda 3109, Item E-1 3/13/2003 (Brown); Agenda 3110, Item E-1 4/3/2003 (Kennedy); Agenda 3111, Item E-1 4/17/2003 (Kennedy))

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=142825](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=142825)

**E-2                      Res E-3816 - Southern California Edison Company.****1771**

For approval of one power purchase agreement (PPA) contributing toward procurement of at least an additional one percent of the utility's annual electric sales from renewable energy resources irrespective of the utility's residual net short. Consideration of this PPA had previously been deferred from Resolution E-3809 and is now being addressed here. (Advice Letter 1676-E, filed December 24, 2002)

(Agenda 3108, Item E-4 2/27/2003 (Staff); Agenda 3109, Item E-2 3/13/2003 (Staff); Agenda 3110, Item E-2 4/3/2003 (Kennedy); Agenda 3111, Item E-2 4/17/2003 (Kennedy))

**E-2a                    ALTERNATE TO ITEM 1771****1844**

This alternate resolution differs from the proposed resolution in that it denies approval of one power purchase agreement (PPA) which Southern California Edison Company (SCE) requests to enter into in 2003 to contribute toward procurement of at least an additional one percent of the utility's annual electric sales from renewable energy resources. Consideration of this PPA had previously been deferred from Resolution E-3809 and is now being addressed here.

(Comr Wood)

(Agenda 3109, Item E-2a 3/13/2003 (Staff); Agenda 3110, Item E-2a 4/3/2003 (Kennedy); Agenda 3111, Item E-2a 4/17/2003 (Kennedy))

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144485](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144485)

**E-2b  
2045****ALTERNATE TO ITEM 1771**

This alternate resolution differs from the proposed resolution in that it grants Southern California Edison Company's request for approval of one power purchase agreement (PPA) contributing toward procurement of at least an additional one percent of the utility's annual electric sales from renewable energy resources irrespective of the utility's residual net short and exempts the PPA from the required online date. Consideration of this PPA had previously been deferred from Resolution E-3809 and is now being addressed here. By Advice Letter 1676-E Filed on December 24, 2002.

(Comr Kennedy)

(Agenda 3111, Item E-2b 4/17/2003 (Kennedy))

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145263](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145263)

**E-2c (Rev.)  
2163****ALTERNATE TO ITEM 1771**

This alternate resolution grants Southern California Edison Company's request for approval of one remaining power purchase agreement (PPA) which would contribute toward procurement of at least an additional one percent of the utility's annual electric sales from renewable energy resources irrespective of the utility's residual net short, in accordance with modified online date requirements. Consideration of this PPA had previously been deferred from Resolution E-3809 and is now addressed here. By Advice Letter 1676-E Filed on December 24, 2002.

(Comr Kennedy)

04/29/2003 - This item was not listed on the agenda distributed to the public.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=147411](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=147411)

**E-3  
1778****Res E-3801 - Pacific Gas and Electric Company (PG&E).**

This resolution approves with modifications PG&E's tariff revisions to implement a flexible pricing option in accordance with Public Utilities Code Section 454.1. (Advice Letter 2276-E, filed August 26, 2002)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

(Agenda 3109, Item E-3 3/13/2003 (Staff); Agenda 3110, Item E-3 4/3/2003 (Lynch); Agenda 3111, Item E-3 4/17/2003 (Brown))

**E-3a  
1962****ALTERNATE TO ITEM 1778**

PG&E submits revisions to implement a flexible pricing option in accordance with PUC Code 454.1. Approved with modifications.

(Comr Peevey)

(Agenda 3110, Item E-3a 4/3/2003 (Lynch); Agenda 3111, Item E-3a 4/17/2003 (Brown))

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=145073](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=145073)

- E-4  
1874**      **Res E-3817 - Sierra Pacific Power Company (Sierra).**  
This resolution approves with modifications Sierra's tariff revisions to reinstate an Energy Cost Adjustment Clause "Offset" Balancing Account Mechanism. (Advice Letter (AL) 294-E, filed January 8, 2003 and AL 294-E-A, filed February 6, 2003)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
(Agenda 3110, Item E-6 4/3/2003 (Staff); Agenda 3111, Item E-5 4/17/2003 (Lynch))  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=143627](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=143627)
- E-5  
1931**      **Res E-3822 - Pacific Gas and Electric Company (PG&E).**  
PG&E requests authority to revise tariffs and establish various balancing and memorandum accounts in compliance with D02-04-016, pertaining to Utility Retained Generation cost recovery in 2002 and withdraw certain previously filed advice letters. The request is approved with modifications. (Supplemental Advice Letter (AL) 2240-E-A, filed January 6, 2003, replacing AL 2240-E, filed May 6, 2001, in its entirety.)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
(Agenda 3111, Item E-8 4/17/2003 (Lynch))  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=146980](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=146980)
- E-6  
1941**      **Res E-3821 - Sierra Pacific Power Company (Sierra).**  
This resolution denies Sierra's proposed tariff revisions to terminate the 10% discount for residential and eligible small commercial customers required under AB 1890. Advice Letter 295-E, filed January 20, 2003)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
(Agenda 3111, Item E-9 4/17/2003 (Brown))  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=144364](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=144364)
- E-7  
2062**      **Res E-3823 - Pacific Gas and Electric Company (PG&E).**  
PG&E submits an Advice Letter to adjust the Diablo Canyon Units 1 and 2 Nuclear Decommissioning Cost-of-service amounts. Approved. (Advice Letter (AL) 2177-E, filed November 21, 2001 and AL 2177-E-A, filed December 2, 2001)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=147008](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=147008)

**E-8  
2075****Res G-3344 - San Diego Gas and Electric Company (SDG&E) and Southern California Gas Company (SoCalGas).**

SDG&E and SoCalGas request authority to establish the Fumigation Turn-off/Turn-on Service Memorandum Account. The utilities also request authority to revise their Rules to add a new Termination of Service for Fumigations section. The utilities' request are partly approved and partly denied. (SDG&E Advise Letter (AL) 1351-G and SoCalGas AL 3210, both filed November 22, 2002)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

**Telecommunications Matters****C-1 (Rev.)  
2063**

**Res T-16742**  
This resolution implements portions of Senate Bill 1863 and provision of D02-10-060. It expands the California Teleconnect Fund discount levels and types and quantities of services qualifying CBOs and health care facilities may receive. It adds community technology centers to the list of qualifying CBO activities, and adds hospital district owned and operated hospitals to the list of qualifying health care facilities. The resolution also specifically names Digital Subscriber Line as a CTF-eligible service. It also streamlines the CTF application process and requires carriers to file annual claims forecasts.

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

05/07/2003 - This revision was not shown on the Agenda mailed to the public.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=147384](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=147384)

**C-2  
2064****Res T-16740**

This resolution approves California Communications Access Foundation as the entity awarded the contract to operate and manage the Deaf and Disabled Telecommunications Equipment and Services Program. Further, this resolution directs the Commission Executive Director to request approval from the Department of General Services (DGS) a multi-year contract, execute all contract originals, and submit the contract to DGS for review and approval.

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=147214](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=147214)

**C-3  
2065****Res T-16746**

This resolution adopts a budget augmentation for the Deaf and Disabled Telecommunications Program (DDTP) for fiscal year 2002-2003 in the amount of \$3,091,700. These funds will cover the necessary costs of transition-related events associated with the transition of the DDTP to comply with Public Utilities Code Sections 270.1, 278, 278.5 and 2881.4. The transition-related costs adopted in this resolution are not included in the current adopted fiscal year 2002-2003 DDTP budget, approved in Resolution T-16663.

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=147305](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=147305)



**Legislative Matters*****Items Held Over*****HLEG-1      AB 428 (Richman)****2048**

Electrical corporations: core supply portfolio: core bundled customers.  
(Agenda 3111, Item LEG-2 4/17/2003 (Peevey))

**HLEG-2      AB 816 (Reyes)****2049**

Direct transactions; local public owned utilities.  
(Agenda 3111, Item LEG-3 4/17/2003 (Peevey))

**HLEG-3      AB 855 (Firebaugh and Levine)****1977**

Wireless telecommunications: access to state property.  
(Agenda 3110, Item LEG-3 4/3/2003 (Staff); Agenda 3111, Item HLEG-1 4/17/2003  
(Staff))

---

***Items***

**LEG-1**            **SB 888 (Dunn, et.al.)**  
**2102**            Public Utilities: electrical restructuring.

**Commissioner's Reports****CR-1                      Commissioners' Reports****1898**                      Miscellaneous Commissioners' reports.**CR-2                      President Peevey Report****1985**                      Discussion of and action on the Energy Action Plan proposed by a subcommittee of the Energy Resources Conservation and Development Commission, the Consumer Power and Conservation Financing Authority, and the PUC. The Plan establishes shared goals and specific actions to ensure adequate, reliable, and reasonably-priced electrical power and natural gas supplies are achieved and provided through policies, strategies, and actions that are cost-effective and environmentally sound for California's consumers and taxpayers.

---

## Management Reports and Resolutions

<b>M-1</b>	<b>Management Reports</b>
<b>1899</b>	Miscellaneous Management reports.

## Closed Session

*This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Sections 11125.2 and 11126.3(f).*

### Non-Federal Items

#### Orders Held Over

#### HEX-1 2017

##### **A01-01-021 - Conference with Legal Counsel - Application for Rehearing**

Disposition of Application for Rehearing of D02-08-065, filed by the Southern California Generation Coalition. The Commission issued an interim opinion authorizing new rules for eligibility and conditions of core and wholesale gas service for the Southern California Gas Company and San Diego Gas & Electric Company.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

(Agenda 3111, Item EX-5 4/17/2003 (Lynch))

#### HEX-2 2025

##### **A02-05-022 - Conference with Legal Counsel – Application for Rehearing**

A02-05-025, A.02-05-026, A.02-05-031 - Related matters. Disposes of applications for rehearing by Pacific Gas & Electric Company (PG&E) and San Diego Gas & Electric Company (SDG&E) of D02-11-027. This interim decision established the 2003 rate of return and return on common equity for the above two utilities. Each applicant challenges the adopted return on equity (ROE) granted to it. PG&E contends that the 11.22% ROE adopted in the decision fails to comply with controlling legal precedent, and is arbitrary and capricious in setting its ROE below that adopted for Southern California Edison Co. SDG&E contends that the adopted 10.90% ROE for it fails to contain separate findings on all material issues in violation of Public Utilities Code Sec. 1705, and that it is not supported by the evidence in the record.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

(Agenda 3111, Item EX-8 4/17/2003 (Staff))

**HEX-3  
2031**

**I \_\_\_\_\_ - Conference with Legal Counsel - Initiation of Enforcement Proceeding.**  
Deliberation on institution of proceeding or disciplinary actions against person or entities subject to Commission's jurisdiction. (Disclosure of case name would fail to protect the private economic or business reputation of the person or entity if the proceeding or disciplinary action is not commenced.)  
*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*  
*Gov. Code § 11126(d)(2), allows this item to be considered in Closed Session.*  
(Agenda 3111, Item EX-11 4/17/2003 (Staff))

**HEX-4  
2041**

**A.01-03-036 - Conference with Legal Counsel – Application for Rehearing**  
Disposition of the applications for rehearing of D02-12-066 filed by San Diego Gas & Electric Company (SDG&E) and the California Independent System Operator (ISO) on January 23, 2003. D02-12-066 denied without prejudice SDG&E's application for a certificate of public convenience and necessity to construct the proposed Valley-Rainbow Interconnect Project.  
*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
(Agenda 3111, Item EX-12 4/17/2003 (Staff))

---

**Orders****EX-1 Conference with Legal Counsel - Application for Rehearing****1900**

Compilation of applications for rehearing recently filed with the Commission.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.***EX-2 Conference with Legal Counsel - Threatened Litigation****1901**

Significant exposure to litigation.

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session.***EX-3 Conference with Legal Counsel - Initiation of Litigation****1902**

Consideration of possible Commission initiation of, or intervention in, litigation.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.***EX-4 Personnel Matters****1903**

Consideration of appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee.

*Gov. Code § 11126(a), allows this item to be considered in Closed Session.***EX-5 I \_\_\_\_\_ - Conference with Legal Counsel – Initiation of Enforcement Proceeding****2097**

Deliberation on institution of proceeding or disciplinary actions against person or entities subject to Commission's jurisdiction. (Disclosure of case name would fail to protect the private economic or business reputation of the person or entity if the proceeding or disciplinary action is not commenced.)

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.**Gov. Code § 11126(d)(2), allows this item to be considered in Closed Session.***EX-6 R01-10-024 - Conference with Legal Counsel – Applications for Rehearing****2128**

Disposition of applications for rehearing of D02-08-071 filed by Pacific Gas and Electric Company (PG&amp;E) and Southern California Edison Company (Edison). In D02-08-071, the Commission: (1) authorized PG&amp;E and Edison to enter into interim contracts for procurement of capacity in participation with DWR; (2) adopted a procedural process to review and approve these interim contracts; and (3) established the requirements for procurement of renewable and QF power between the effective date of the D02-08-071 and January 1, 2003.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.**Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**EX-7  
2129****R01-10-024 - Conference with Legal Counsel – Application for rehearing**

Disposes of the applications by Southern California Edison (SCE), Pacific Gas & Electric (PG&E), San Diego Gas & Electric Co. (SDG&E), and Sempra Energy Resources for the rehearing of D02-09-053. The decision is an interim opinion in the Commission's rulemaking to establish ratemaking mechanisms and procedures that would enable the utilities to resume responsibility for procuring power for their retail customers. The decision allocates existing California Department of Water Resources long-term contracts to PG&E, SCE and SDG&E.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**EX-8  
2130****R01-10-024 - Conference with Legal Counsel – Applications for Rehearing**

Disposes of the applications by Pacific Gas & Electric (PG&E), and San Diego Gas & Electric Co. (SDG&E) for the rehearing of D02-12-069, which adopts the Operating Order under which PG&E, SDG&E, and SCE will perform the operational, dispatch, and administrative functions for the California Department of Water Resources' long-term power purchase contracts, as of January 1, 2003.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**EX-9  
2131****R01-10-024 - Conference with Legal Counsel – Applications for Rehearing**

Order disposing of applications for rehearing of D02-10-062 filed by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (Edison), San Diego Gas and Electric Company (SDG&E), Sempra Energy Resources, and Cogeneration Association of California. D02-10-062 adopts a regulatory framework under which PG&E, Edison, and SDG&E were to resume full procurement responsibilities effective January 1, 2003.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**EX-10  
2132****R01-10-024 - Conference with Legal Counsel – Applications for Rehearing**

Order disposing of applications for rehearing of D02-12-074 filed by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (Edison), San Diego Gas and Electric Company (SDG&E), and Sempra Energy Resources. D02-12-074 approved short-term procurement plans for PG&E, Edison, and SDG&E and modified the cost recovery mechanisms and standards of conduct adopted in D02-10-062.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*



- EX-11  
2148**      **R02-01-011 - Conference with Legal Counsel - Application for Rehearing**  
Disposition of Application for Rehearing, filed by Kern Oil & Refining Company, of D03-04-030, in which the Commission adopted cost responsibility surcharge mechanisms for Customer Generation Departing Load.  
*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- EX-12  
2149**      **I02-11-040 - Conference with Legal Counsel – Applications for Rehearing**  
Disposes of the joint application by Southern California Gas Company and San Diego Gas & Electric Company for rehearing of I02-11-040, which initiates an examination of the gas market activities of the major gas utilities regulated by the Commission and the impact of those activities on the gas price spikes experienced from March 2000 through May 2001.  
*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- EX-13  
2150**      **A01-01-003 - Conference with Legal Counsel – Application for Rehearing**  
Disposition of Application for Rehearing of D02-12-053, filed by Santa Clara Valley Transportation Authority (VTA). In January 2001, VTA filed an application for an at-grade crossing for a light rail transit line in the City of Campbell. VTA filed a motion to dismiss this application on the grounds that the Commission's jurisdiction over light rail crossings is limited to regulation of safety appliances and procedures and post-construction safety review, and does not include the location, construction, or separation of light rail crossings of roadways. The Commission denied VTA's motion to dismiss. On December 17, 2002, the Commission in D02-12-053 issued an order denying the application of VTA for an at-grade crossing at Hamilton Avenue in Campbell, County of Santa Clara. Moreover, the Commission found that it has jurisdiction to review and approve the construction and placement of VTA's light rail/street crossing.  
*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- EX-14  
2154**      **I \_\_\_\_\_ - Conference with Legal Counsel – Initiation of Enforcement Proceeding**  
Deliberation on institution of proceeding or disciplinary actions against person or entities subject to Commission's jurisdiction. (Disclosure of case name would fail to protect the private economic or business reputation of the person or entity if the proceeding or disciplinary action is not commenced.)  
*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*  
*Gov. Code § 11126(d)(2), allows this item to be considered in Closed Session.*

**Federal Items****Items**

- FEX-1  
1904**      **Conference with Legal Counsel - Initiation of Litigation**  
Consideration of possible Commission initiation of, or intervention in, federal agency or court proceedings.  
*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*
- FEX-2  
1905**      **Case No. 01 30923 DM - Conference with Legal Counsel - Existing Litigation.**  
Pacific Gas and Electric Company (Debtor), United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 01 30923 DM.  
*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*
- FEX-3  
1906**      **Case No. 01-56879, DC. No. CV-00-12056-RSWL - Conference with Counsel - Existing Litigation**  
Southern California Edison v. Lynch, et al., United States Court of Appeal for the Ninth Circuit, Case No. 01-56879, DC. No. CV-00-12056-RSWL.  
*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*
- FEX-4  
1907**      **Case No. C01-3023 VRW - Conference with Legal Counsel - Existing Litigation**  
Pacific Gas and Electric Company v. Lynch, et al., United States District Court for the Northern District of California, San Francisco Division, Case No. C01-3023 VRW.  
*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*
- FEX-5  
1908**      **FERC Docket No. RP00-241-006 - Conference with Legal Counsel – Existing Litigation**  
Public Utilities Commission of the State of California v. El Paso Natural Gas Company, et al.  
*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*
- FEX-6  
2098**      **Case Nos. 01-17161, 01-17166, 01-17181 - Conference with Legal Counsel – Existing Litigation**  
Pacific Bell v. Pac-West, CPUC et al., U.S. Court of Appeals for the Ninth Circuit, Case Nos. 01-17161, 01-17166, 01-17181.  
*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*
- FEX-7  
(Rev.)  
2178**      **DC Circuit Docket No. 02-1358 - Conference with Legal Counsel – Existing Litigation**  
California Public Utilities Commission v. FERC, DC Circuit Docket No.02-1358. This item is being added pursuant to Government Code Section 11125.3(a)(2). (Gov. Code Sec. 11125.3(a)(2) and 11126(e)(2)(A).)  
*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*  
*Gov. Code § 11125.3(a)(2), allows this item to be considered in Closed Session.*  
05/05/2003 - This item was not listed on the agenda distributed to the public.  
05/05/2003 - This revision was not shown on the Agenda mailed to the public.

